

Glossary{PRIVATE }
Section I - Abbreviations

Additional abbreviations may be found on
the Internet at:
<http://www.dfas.mil/library/acronyms.htm>

AA - Active Army

AAFES - Army and Air Force Exchange Service

AAO - Authorization Acquisition Objective

ABO - Army Budget Office

ACH - Automated Clearing House

ACO - Administrative Contracting Officer

ACRN - Accounting Classification Reference Number

ACSIM - Assistant Chief of Staff for Installation
Management

ADP - Automatic Data Processing

ADPE - Automatic Data Processing Equipment

ADT - Active Duty for Training

AECA - Arms Export Control Act

AFAO - Approved Force Acquisition Objective

AFARS - Army Federal Acquisition Regulation
Supplement

AFH - Army Family Housing

AGC - Army General Counsel

AMC - Army Materiel Command

AMCISS - Army Military Command Installation Supply
System

AMCSS - Army Military Clothing Sales Store

AMDF - Army Master Data File

AMS - Army Management Structure

AMSCO - Army Management Structure Code

AO - Approving Officials

AOP - Advice of Payment

AOPC - Agency/Organization Program Coordinators

AOR - Area of Responsibility

AP - Advance Pay

APC - Account Processing Code or Agency Program
Coordinator

APF - Appropriated Funds

A&R - Analysis and Reconciliation

ARA - Automatic Reimbursement Authority

ARNG - Army National Guard

ARSTAF - Army Staff

ASA(FM&C) - Assistant Secretary of the Army
(Financial Management & Comptroller)

ASBCA - Armed Services Board of Contract Appeals

ASN - Allotment Serial Number

ASPG - Army's Strategic Planning Guidance

AT - Annual Training

ATM - Automated Teller Machine

AWCF - Army Working Capital Fund

AWOL - Absent Without Leave

BAQ - Basic Allowance for Quarters

BAS - Basic Allowance for Subsistence

BASOPS - Base Operations

BDE - Business Development Expense

BES - Budget Estimate Submission

BLIN - Budget Line Item Number

BO - Billing Official

BOA - Basic Ordering Agreements

BOAC - Billed Office Address Code

BP - Budget Project

BPA - Blanket Purchase Agreement

BPC - Budget project Code

CA - Commercial Activities	Comp Gen - Comptroller General
CAC - Charge Account Company	CONUS - Continental U.S.
CAGE - Contractor and Government Entity	COR - Contracting Officer Representative
CAPS - Computerized Accounts Payable System	COT - Consecutive Overseas Tour
CASB - Cost Accounting Standards Board	CP - Casual Pay
CBA - Centrally Billed Accounts	CPO - Civilian Personnel Office
CBS-X - Continuing Balance System - Expanded	CPU - Central Processing Unit
CC - Cost Code	CRA - Continuing Resolution Authority
CCR - Central Contracting Registration	CSA - Chief of Staff of the Army
CCV - Cash Collection Voucher	CSCFA - Chief of Staff, Comptroller of Finance & Accounting
CEFT - Corporate Electronic Fund Transfer	CSR - Civil Service Retirement
CER - Command Expenditure Report	CSRDF - Civil Service Retirement and Disability Fund
CFO - Chief Financial Officer	CTA - Common Table of Allowance
CFR - Code of Federal Regulations	CTO - Commercial Travel Office
CG - Commanding General or Comptroller General	DA - Department of Army
CHCS - Composite Health Care System	DAASC - Defense Automated Addressing System Center
CHAMPUS - Civilian Health and Medical Program of the Uniformed Services	DAO - Defense Accounting Office
CI - Civilian Internee	DAR - Defense Acquisition Regulation
CIC - Content Indicator Code	dARS - Databased Accounting Reconciliation System
CID - Criminal Investigation Division	DASA(B) - Deputy Assistant Secretary of the Army for Budget
CIPS - Centers Information Processing System	DASA, ESOH - Deputy Assistant Secretary of the Army, Environment Safety and Occupational Health
CMA - Centrally Managed Allotment	dbCAS - Data Commitment Accounting System
CMAC - CHAMPUS Maximum Allowable Charge	DBR - Detail Billing Record
COA - Comptroller of the Army	DCAA - Defense Contract Audit Agency
COB - Close of Business	★DCAS - Defense Cash Accountability System
COCO - Contractor Owned, Contractor Operated	DCD - Directorate for Centralized Disbursing / or Defense Corporate Database
COCP - Customer Order Control Point	DCIA - Debt Collection Improvement Act
COD - Cash On Delivery	
COE - Corps of Engineers or Contingent owned Equipment	

DCSLOG - Deputy Chief of Staff for Logistics

DCSOPS - Deputy Chief of Staff for Operations and Plans

DCSRM - Deputy Chief of Staff for Resource Management

DD - Direct Deposit

DDMS - Defense Debt Management System

DEH - Director of Engineering and Housing

DELMAR - Data Element Management Accounting Report

DESCOM - Depot System Command

DFARS - Defense Federal Acquisition Regulation Supplement

DFAS - Defense Finance and Accounting Service

DFAS-CL - Defense Finance and Accounting Service - Cleveland

DFAS-CO - Defense Finance and Accounting Service - Columbus

DFAS-DE - Defense Finance and Accounting Service - Denver

DFAS-IN - Defense Finance and Accounting Service - Indianapolis

DFSC - Defense Fuel Supply Center

DHP - Defense Health Program

DIC - Document Identifier Code

DIPEC - Defense Industrial Plant Equipment Center

DITY - Do-It-Yourself

DJMS - Defense Joint Military Pay System

DLA - Defense Logistics' Agency

DLR - Depot Level Repairable

DM - Deutsche Mark

DMDC - Defense Manpower Data Center

DMISA - Depot Maintenance Inter-service Support Agreement

DMPO - Defense Military Pay Office

DMTA - Depot Maintenance Technical Assistance

DO - Disbursing Officer

DoD - Department of Defense

DODDAC - Department of Defense Activity Address Code

DODAAD - Department of Defense Activity Address Directory

DoD(C) - Department of Defense (Comptroller)

DoDFMR - Department of Defense Financial management Regulation

DOIM - Direction of Information

DOJ - Department of Justice

DOL - Director of Logistics

DOPS - Disbursing Office Processing System

DOV - Disbursing Officer Voucher

DoS - Department of State

DPAE - Director of Program Analysis and Evaluation

DPDO - Defense Property Disposal Office

DPSC - Defense Personnel Support Center

DRR - Deleted Records Report

DRG - Diagnostic Related Group

DRM - Director of Resource Management or Directorate for Resource Management

DRMO - Defense Reutilization and Marketing Office

DRMS - Defense Reutilization Marketing Service

DSN - Defense Switched Network

DSSN - Disbursing Station Symbol Number

DSU - Direct Support Unit

DTTPM - Domestic Technology Transfer Program Manager

DWCF - Defense Working Capital Fund

DWCF-DMA* - Defense Working Capital Fund-Depot Maintenance Army

DWCF-SMA* - Defense Working Capital Fund-Supply Maintenance Army

EC - Electronic Commerce

ECAT - Electronic Catalog

ECP - Engineering Change Proposal

EDA - Electronic Data/Document Access

EDI - Electronic Data Interchange

EFT - Electronic Funds Transfer

EIN - Employer Identification Number

EOR - Element of Resource

EPW - Enemy Prisoner of War

FAA - Foreign Assistance Act

FAD - Funding Authorization Document

FAO - Finance and Accounting Office/Field audit Office

FAR - Federal Acquisition Regulation

FAS - Fund Allowance System

FAX - Facsimile

FCA - Functional Cost Account

FCF - Foreign Currency Fluctuation

FEGLI - Federal Employees Group Life Insurance

FEHBP - Federal Employees Health Benefit Program

FERS - Federal Employees Retirement System

FET - Federal excise tax

FHA - Federal Housing Administration

FI - Financial Institution

FIA - Financial Inventory Accounting

FICA - Federal Insurance Contribution Act

FIRMR - Federal Information Resources Management Regulations

FMF - Foreign Military Financing

FMS - Foreign Military Sales

FMT - Foreign Military Trainees

FN - File Number

FOB - Free On Board or Freight On Board

FOA - Field Operating Activity

FOD - Field Operations Division

FPM - Federal Personnel Manual

FRA - Funded Reimbursement Authority

FRB - Federal Reserve Bank

FRC - Federal Records Center

FSC - Federal Supply Classification

FSN - Fiscal Station Number

FT - Federal Telecommunications

FTP - File Transfer Protocol

FY - Fiscal Year

FYDP - Future Years Defense Program

G&A - General and Administration

GAAP - Generally Accepted Accounting Principles

GAO - General Accounting Office

GBL - Government bill of lading

GFE - Government Furnished Equipment

GFM - Government Furnished Materiel

GFP - Government furnished property

GLAC - General Ledger Account Code

GLTB - General Ledger Trial Balance

GOAs - General Operating Agencies

GOCO - Government-owned, Contractor-operated

GOGO - Government-Owned, Government-Operated

GPLD - Government Property Lost and Damaged

GPO - Government Printing Office

GS - General Schedule	IT - Information Technology
GSA - General Services Administration	ITF - Information Technology Facilities
GTR - Government Transportation Request	ITO - Installation Travel Officer
GTS - Government Travel System	JAG - Judge Advocate General
HAP - Homeowners Assistance Program	JCL - Job Control Language
HCSR - Health Card Summary Record	JFTR - Joint Federal Travel Regulation
HHG - Household Goods	JOCC - Job Order Cost Center
HQDA - Headquarters, Department of the Army	JROTC - Junior Reserve Officer Training Corps
HUD - Housing and Urban Development	JTR - Joint Travel Regulation
IACR - Interfund Accounting/Clearance Records	JV - Journal Voucher
IADT - Initial Active Duty for Training	LCA - Logistics Control Activity
IATS - Integrated Automated Travel System	LES - Leave and Earnings Statement
IAW - In Accordance With	LIN - Line Item Number
IBM - International Business Machines	LOA - Letter of Authorization
IBOP - International Balance of Payments	LOPA - Local Payment of Airlines
ICC - Interstate Commerce Commission	MACOM - Major Army Command
ICH - Instructor Contract Hour	MAFR - Merged Accountability Fund Report
ICR - Internal Control Review	MAP - Military Assistance Program
IDT - Inactive Duty Training	MARKS - Modern Army Record Keeping System
IF - Interfund	MCA - Military Construction, Army
IFS-M - Integrated Facilities System - Micro	MDC - Movement Designator Code
IG - Inspector General	MDEP - Management Decision Package
IMET - International Military Education and Training	MEDCOM - Medical Command
IMO - Information Management Office	MEDICARE - Medical Care
IMPAC - International Merchant Purchase Authorization Card	Medicaid - Medical Aid
INCP - International Narcotics Control Program	MEPS - Military Entrance Processing Station
IPCOT - In Place Consecutive Overseas Tour	MICOM - Missile Command
IRR - Individual Ready Reserve	MILCON - Military Construction
IRS - Internal Revenue Service	MILDEP - Military Department
ISSA - Interservice Support Agreement	MILSBILLS - Military Standard Billing System

MILSTAMP - Military Standard Transportation and Movement Procedures

MILSTRIP - Military Standard Requisitioning and Issue Procedures

MIPR - Military Interdepartmental Purchase Request

MMPA - Master Military Pay Account

MOA - Memorandum of Agreement

MOCAS - Mechanization of Contract Administration Services

MOD - Miscellaneous Obligation Document

MOU - Memorandum of Understanding

MOV - Materiel Obligation Validation

MPA - Military Personnel, Army

MSAO - Medical Services Accountable Officer

MSC - Military Sealift Command/Major Subordinate Command

MST - Management Service Team

MTA - Military Transportation Authorization

MTF - Medical Treatment Facility

MTMC - Military Traffic Management Command

MTOE - Modification Table of Organization and Equipment

MTONs - Measurement Tons

MTSA - Military Training Specific Allotment

MWR - Morale, Welfare and Recreation

NAF - Nonappropriated Funds

NAFI - Nonappropriated Fund Instrumentalities

NARA - National Archives and Records Administration

NATO - North Atlantic Treaty Organization

NC - Non-recurring Cost

NCO - Non-commissioned Officer

NEO - Noncombatant Evacuation Operations

NICP - National Inventory Control Point

NPA - Net Pay Advice

NSC - National Security Counsel

NSN - National Stock Number

NTS - Non-temporary Storage

NULO - Negative Unliquidated Obligation

OA - Operating Agency

OASA - Office of the Assistant Secretary of the Army

OC - Object Class

OCONUS - Outside the Continental United States

ODC - Obligation Data Code

ODEP - Office of the Director of Environmental Programs

ODS - Operational Data Store

OF - Optional Form

OGC - Office of the General Counsel

O&M - Operation and Maintenance

OMA - Operations and Maintenance, Army

OMB - Office of Management and Budget

OPA - Other Procurement, Army

OPAC - Online Payment and Collection System

OPLOC - Operating Location

OPM - Office of Personnel Management

OPTEMPO - Operating Tempo

ORE - Other Reimbursable Expense

ORTA - Office of Research Technology Application

OSD - Office of the Secretary of Defense

OUSD - Office of the Under Secretary of Defense

OUSD(C) - Office of the Under Secretary of Defense (Comptroller)

OUSD(P) - Office of the Under Secretary of Defense (Policy)

OUSD(P&R) - Office of the Under Secretary of Defense (Personnel & Readiness)

PA - Procurement Appropriation

PB - President's Budget

PBAS - Program and Budget Accounting System

PBAS-OC - Program and Budget Accounting System - Order Control

PBD - Program Budget Decision

PBG - Program Budget Guidance

PBO - Property Book Office(r)

PBX - Private Branch Exchange

PCD - Program Change Decision

PCH - Packaging, Crating, and Handling

PCH&T - Packaging, Crating, Handling, and Transportation

PCR - Program Change Requests

PCS - Permanent Change of Station

PDM - Program Decision Memorandum

PDS - Permanent Duty Station

PE - Program Element

PEG - Program Evaluation Groups

PF - Performance factor or Postal Form

PII - Procurement Instrument Identifier

PIN - Procurement Identification Number

PLCO - Plant Clearance Officer

PMI - Performance Management Indicator

POC - Point of Contact or Privately Owned Conveyance

POL - Petroleum, Oils, and Lubricants

POM - Program Objective Memorandum

POV - Privately Owned Vehicle

PPA - Prompt Payment Act

PPBES - Planning, Programming, Budgeting and Execution System

PPBS - Planning, Programming, and Budgeting System

PP&E - Property, Plant and Equipment

PQDR - Product Quality Discrepancy Report

PRON - Procurement Request Order Number

PY - Program Year

QA - Quality Assurance

QDR - Quality Deficiency Report

RAD - Resource Authorization Document

RASFIARS - Retail Army Stock Fund Inventory Accounting and Reporting System

RC - Reserve Component

RCPSO - Reserve Component Pay Support Office

RCS - Report Control Symbol

RDTE - Research, Development, Test, and Evaluation

RFQ - Request for Quotation

RIC - Routing Identifier Code

RIF - Reduction in Force

RITA - Relocation Income Tax Allowance

ROD - Report of Discrepancy

ROI - Report of Investigation

ROTC - Reserve Officer Training Corps

RP - Record Position

RPMA - Repair, Performance, and Maintenance Activity

RR - Receiving Report

RSC - Reimbursement Source Code

RSFPP - Retired Serviceman's Family Protection Plan

RTTO - Reengineering Travel Transition Office

RWA - Reimbursable Work Authorization

SA - Secretary of the Army

SAAC - Security Assistance Accounting Center

SAACONS - Standard Army Automated Contracting System

SAFID - Summary Account File Identification Code

SAFM-BU - Deputy Assistant Secretary of the Army for Budget

SAFM-BUC - Deputy Assistant Secretary of the Army for Budget, Management and Control Directorate

SAMM - Security Assistance Management Manual

SAO - Security Assistance Organization

SBA - Small Business Administration

SBP - Survivor Benefit Plan

SBR - Summary Billing Record

SDAF - Special Defense Acquisition Fund

SDN - Standard Document Number

SES - Senior Executive Service

SF - Standard Form

SGL - Standard General Ledger

SIFS - Standard Industrial Fund System

SIR - Separation Indebtedness Report

SITREP - Situation Report

SOA - Special Operating Agency or Statement of Accountability

SOEP - Special Operating Decision Package

SOMARDS - Standard Operations and Maintenance and Research and Development System

SOT - Statement of Transaction

SPBS-R - Standard Property Book System - Redesign

SRA - Stock Record Account

SRD-1 - STANFINS Redesign

SRO - Stock Record Office

SROTC - Senior Reserve Officers' Training Corps

SSN - Social Security Number

SSO - Systems Security Officer

SSSC - Self Service Supply Center

STAMIS - Standard Army Management Information System

STANFINS - Standard Financial System

STARFIARS - Standard Army Financial Inventory Accounting System

STARFIARS-MOD - Standard Army Financial Inventory Accounting System-Modern

STARRS - Standard Army Retail Supply System

TABS - Table of Accounting Budgetary Systems

TAC - Transportation Address Code

TACOM - Tank and automotive Command

TAP - The Army Plan

TAPC - Total Army Personnel Command

TBO - Transactions by Others

TD - Treasury Department

TDA - Table of distribution and allowances

TDO - Transportation Dispute Office

TDR - Transportation Discrepancy Report

TDY - Temporary Duty

TFO - Transactions for Others

TIN - Taxpayer Identification Number

TISA - Troop Issue Subsistence Activity

TL - Transmittal Letter

TLA - Temporary Lodging Allowance

TLE - Temporary Lodging Expense

TMS - Type Model Series

TO - Transportation Officer or Travel Order

TOE - Table of Organization and Equipment

TOP - Treasury Offset Program

TR - Transportation request

TRC - Transaction Report Code

TSA - Troop Support Agency

TSW - Training Staff-weeks

TUFMIS - Tactical Unit Financial Management
Information System

UCMJ - Uniform Code of Military Justice

UDO - Undelivered Orders

UIC - Unit Identification Code

ULO - Unliquidated Obligation

UMD - Unmatched Disbursement

UN - United Nations

U.S. - United States

USACE - U.S. Army Corps of Engineers

USAEC - U.S. Army Environmental Center

USAF - U.S. Air Force

USAFINCOM - U.S. Army Finance Command

USAID - U.S. Agency for International Development

USAR - U.S. Army Reserve

USASAC - U.S. Army Security Assistance Command

U.S.C. - United States Code

USGSG - U.S. Government Standard General
Ledger

USMC - U.S. Marine Corps

USPFO - U.S. Property and Fiscal Office

USPS - United States Postal Service

USTRANSCOM - U.S. Transportation Command

WPBAC - Working Program and Budget Advisory
Committee

WPC - Work Productivity Code

Section II Terms

Additional terms and definitions can be found in the DoDFMR, Volume 1.

Absorbed Bill

A detailed billing record, suspended, charged, or credited by an FSN to its funds. A summary billing record, citing an FSN's DoDAAC in the billed office address code field, not received but charged or credited by the station to its funds.

Accountable Officer

An individual required to maintain records for property or funds.

Account Holder

A military or civilian employee of a DoD agency designated by Treasury to disburse monies and render accounts according to laws and guidance governing the disbursement of public monies.

Account Processing Code (APC)

For STANFINS activities, a locally controlled and developed four-position code that abbreviates the accounting classification and related UICs, MDEP, and functional cost codes.

Accounting

The act of receiving, controlling, validating, recording, classifying, and summarizing transactions in terms of money, analyzing and interpreting those transactions, and reporting the operating results and related resource management information to higher headquarters.

Accounting Classification Document Number

The accounting classification document number (ACRN) is a two position alpha/numeric code which identifies each discrete accounting classification within each contract. Do not use the letters "I" or "O". ACRNs are also used to associate the various record formats of the contract payment notice as described in DoD Manual 4000.25-5-M. Assigning the ACRNs is the responsibility of the contracting office issuing a contract, basic ordering agreement, or blanket purchase agreement.

Accounting Principles

The body of doctrine commonly associated with the theory and procedures of accounting, serving as an explanation of current practices and as a guide for the selection of conventions or procedures where alternatives exist.

Accounting System

The total structure of methods and procedures used to record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, balanced account groups, and organizational components. It includes procedures and processes from the point a transaction is authorized or initiated, through the processing of the data (either manually or automatically), to issuance of financial and management information statements and reports containing the data in detail or summary form. An accounting system is comprised of the formal books and accounts; supporting record documents, papers, and reports; and related procedures used to account for resources and operations of an accounting entity.

Accrual Accounting

Public law and the Comptroller General Standards require accrual accounting. It is the method of accounting in which revenues and matching expenditures are recognized in the period earned, regardless of when payment is received or made.

Accrued Expenditure

Expenses incurred but not due until a later period in time.

Accrued Revenue

Revenue earned for goods, services, or other assets furnished to others that are recorded and accounted for in the period earned, whether or not billed or collected. Also called a reimbursable earning or reimbursement earned, this transaction decreases unfilled orders and increases accounts receivable.

Actual Cost Method

Billing method whereby actual costs are used as the billing basis in lieu of fixed prices/rates. The actual cost method is used for all non-government agencies, private parties, foreign military sales, and all other entities excluded from the rate stabilization provisions.

Administrative Approval

An approving officer's signature on a payment voucher to indicate the voucher is correct. Or, a statement by an approving officer that indicates the proposed payment is approved. The approving officer must sign and date the statement.

Administrative Charges

Costs incurred in processing and handling a delinquent debt. Costs should be based on actual costs incurred or cost analyses, which estimate the average of actual additional costs incurred for particular types of debt at similar stages of delinquency. Administrative charges or costs should be accrued and assessed from the date of delinquency.

Administrative Limitation

Limitation in the funding guidance to control obligation or expenditure of funds. Offices or agencies establishing other limitations on obligations and expenditures can monitor and enforce them, but not under the anti-deficiency statutes.

Administrative Offset

Withholding of money payable by the U.S. Government to or held by the U.S. Government for a person or entity to satisfy a debt that the person or entity owes the U.S. Government. Administrative offset may include offset from salary when a specific statute so authorizes.

Advances

Advances are prepayments in contemplation of later receipt of goods, services, or other assets.

Allotment Serial Number

A four-digit code assigned by an OA to identify a fund target/subdivision within an appropriation or fund. In the accounting classification this number immediately follows a hyphen, which separates it from the OA.

Allowance

The administrative action of a general operating agency making funds allocated or suballocated available to a subordinate installation or activity for obligation through the use of an expenditure target. Incurring of obligations in excess of this target does not automatically create an anti-deficiency violation. However, if the governing formal subdivision is exceeded, an anti-deficiency violation may exist. The person responsible for exceeding the target can be held responsible for the resulting anti-deficiency violation.

Annual Funding Program

An annual budget, normally classified by a budget program and appropriation.

Annual Reimbursement Program

Annual estimate of budget authority (funds) to be retrieved/reimbursed from other budgets (includes automatic, funded, and Stock Fund reimbursements).

Applicable Interest Rate

The interest rate which the Secretary of the U.S. Treasury announces semiannually under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611). This interest rate is used to figure the amount of interest to pay a vendor on a late payment.

Appropriation-- Annual

An appropriation available for obligations only during the one fiscal year specified in the Appropriation Act.

Appropriation--Canceled

An appropriation that is no longer available for obligations and disbursements. An appropriation cancels 5 years after it expired.

Appropriation--Expired

An appropriation that is no longer available for obligations but is still available for disbursement to liquidate existing obligations.

Appropriation--Multi-Year

An appropriation that is available for incurring obligations for a definite period in excess of one fiscal year.

Appropriation--No-Year

An appropriation that is available for incurring obligations for an indefinite period of time (until exhausted or its designated purpose is accomplished).

Appropriations-Unexpended

Appropriations that are either (1) unobligated and available for future periods, or (2) obligated, but not yet expended (e.g., undelivered orders). For purposes of closed accounts, excluding the merged account, it is an account's undisbursed balance (i.e., the sum of an account's direct undistributed funds, direct unobligated balance, and direct and reimbursable unliquidated obligations) when the account closed as adjusted by subsequent approved payments from unexpired accounts and reappropriations of canceled balances.

Appropriation--Unexpired

An appropriation account that is available for incurring obligations during the current fiscal year.

Appropriation Reimbursement

Collection for commodities, work, or service furnished to an individual, firm, corporation, or other Federal agencies. The collection may be credited to the activity's specific allotments as repayment.

Approved Operating Budget

The approved financial funding level for a major activity director or activity, normally on an annual basis.

Army Management Structure

A structure established to provide a single, uniform classification of non-tactical (peacetime) activities of the Army for use in programming, budgeting, accounting, and the reporting of cost performance and manpower data.

Army Master Data File (AMDF)

Establishes a uniform automated method for the maintenance, distribution, and usage of current catalog management data on every item in the U.S. Army inventory.

Assets

An item of economic value owned by a Federal Agency. The item may be physical in nature (tangible) or have a right to ownership (intangible) that is expressed in terms of cost or some other value.

Audit Trails

The ability for readily tracing all transactions, including those which are computer-generated and computer-processed, transactions from initiation (individual source documents) to accounting reports and vice versa.

Automatic Reimbursement Authority

Authority to engage in the automatic reimbursement program to temporarily finance support to individuals or non-mission activities. No dollar amount is received; funds are generated based on receipt of an order.

Automatic Reimbursement Funds

These are funds that are temporarily created through the sale of supplies or services to other organizations or units outside the activity. These "planned expenses" are specified within the approved operating budget even though funds are not actually received. Automatic reimbursements are funds created through a request for services based on a firm agreement between two activities.

Bankruptcy

A process established under Federal law whereby a debtor may seek relief from the claims of creditors. The U.S. Government cannot pursue debt collection actions while a debtor is in the process of bankruptcy. The debt can be held open if future collection appears likely.

Base Operations Support

Support services and functions performed by the facility for the benefit of others. Base Operations (BASOPS) includes real property maintenance, minor construction, environmental compliance, installation supply and maintenance services, transportation, and other installation common support services (e.g., fire prevention and protection, refuse handling, and purchased utilities. Common-service support functions are listed in DFAS-IN Manual 37-100-FY, under Army Management Structure (AMS), regardless of the appropriation or fund account from which they are financed.

Billing

Billings are for the value of the sales and processed no less than monthly. More frequent billings can be made to help manage the stock fund cash balance.

Blanket Purchase Agreement (BPA)

A blanket purchase agreement is a simplified method of filling anticipated repetitive needs for supplies or services by establishing "charge accounts" with qualified sources of supply.

Budget

A planned program for a fiscal period in terms of: (1) estimated costs, obligations, and expenditures; (2) source of funds for financing, including reimbursements anticipated, and other resources to be applied; and (3) explanatory and workload data on the projected programs and activities.

Budgeting

Process by which the funds required to carry out programmed objectives and workload is determined and sent to higher headquarters as the operating program and budget. Budgeting is also the detailed distribution of resources to execute assigned missions.

Budget Cycle

That period of time necessary to formulate, review, present, secure approval, and execute the Fiscal Program for a specified, ensuing period of time.

Budget Estimating

The process of determining the amounts, kinds, and costs of resources needed for accomplishing a mission.

Budget and Manpower Guidance

A document issued by a higher headquarters to its subordinate commands to provide information and guidance pertaining to missions, resources (manpower, materiel, and funds for specific fiscal year), objectives, policies, and related matters upon which the subordinate commands can base their programmed course of action for the fiscal year(s) concerned. (Also referred to as Program Budget Guidance (PBG)).

Budgetary Control

The financial control and management of a unit or function in accordance with an approved operating program and budget with the purpose of keeping obligations, expenditures, and costs within the limitations thereof--taking advantage of whatever fund flexibility exists without exceeding the limitations imposed by the annual funding program and/or the quarterly authority to obligate (i.e., allocation or allotment advice).

Budget Execution

The implementation and administration of the approved operating budget during the budget year.

Accomplishment of the mission within available resources without creating over-obligations and/or over-expenditures. Budget execution is reflected in accounting records and reports.

Budget Execution Review

Process by which the funds required to carry out programmed objectives and workload for the current fiscal year are determined and forwarded to higher headquarters, as the operating program and budget. The budget execution review usually contains a revised listing of "urgent" unfinanced requirements.

Budget Year

That fiscal year arrived at by adding one fiscal year to the current fiscal year. During fiscal year 1999, the budget year would be fiscal year 2000.

Budgetary (fund) Accounting

Accounting necessary to support and control the budget execution process as distinguished from that required to report on financial conditions and operations (proprietary accounting). For example, includes commitments, obligations, expenditures, and conditions such as appropriations realized, contract authority, anticipated reimbursements, and so forth. Dual entries are required when transactions affect both budgetary and asset, liability and equity accounts. The system shows the appropriations and funds to be accounted for and a description of the accounting entity's proposed fund distribution and control process. System control includes good fund control procedures to prevent untimely liquidation of obligations, unmatched expenditures, and undistributed disbursements. Administrative funds control ensures that funds are used economically, efficiently, and only for properly authorized purposes.

The system supports formulation and execution of the budget. Programming, budgeting, accounting, reporting classifications and coding structures are uniform and consistent with each other and synchronized with the organizational structure so that actual activity reported within the accounting system can be compared with enacted budgets and support future budget formulation for each activity. Presidential, Congressional, and DoD decisions are recorded in the system, and financial management data and results are appropriately classified to track such decisions. The system records budget resources at the appropriate level and accounts for appropriations, apportionments, allocations, transfers, allotments of budget authority, customer orders accepted, reimbursables, and other appropriate accounts prescribed by DoD.

Canceled Balances

Accounting entries required to close an account pursuant to Title 31 U.S.C. 1552, 1555, or, 1557. This action is distinct from and not synonymous with deobligation (see Recoveries definition).

Capitalization

The monetary value of inventories (materiel, supplies and equipment), including undelivered orders due in under capitalized contracts; and allocations of cash less liabilities and equity reservations. In those instances of transfer of logistic responsibility or materiel, the value will be at the current Army standard prices.

Cash

Cash includes cash on hand (both United States and foreign stated in dollar terms), negotiable instruments, cash in the hands of agents and cashiers, deposits in the possession of designated limited depositories, and losses of funds.

Cash Basis of Accounting

An accounting method under which revenues are recorded when received in cash and expenditures are recorded when cash is disbursed, without regard to the accounting period when the revenue was earned or the liability incurred.

Cash Procedures

An effective system to ensure timely accurate payments based on properly approved disbursement documents; payment process complies with the Prompt Payment Act; cash discounts are taken when determined to be financially advantageous; and cash is deposited as expeditiously as possible and immediately recorded in the accounting records.

Cash Resources

Fund balances with the U.S. Treasury representing available expenditure authorizations. Cash resources not part of the fund balances with the U.S. Treasury consist of:

- a. Coins, paper currency, and readily negotiable instruments, such as money orders, checks, and bank drafts on hand or in transit for deposit, and
- b. Amounts on deposit with banks or other financial institutions.

Centralized Fund Control

Certification of fund availability that takes place within the OPLOC/FAO, with limited specific authority to certify allowed outside of the finance and accounting office.

Certificate of Conformance

A contractor's statement that the delivery conforms to contract specifications. At the contracting officer's discretion, a certificate of conformance may be used instead of a source inspection if--

- a. Acceptance on the basis of a contractor's certificate of conformance is in the government's best interest.
- b. Small losses would be incurred in the event of a defect.
- c. The contractor's reputation or past performance make it likely that the supplies or services will be acceptable and any defective work would be replaced, corrected, or repaired without contest.

Certifying Officer

An individual authorized to certify the availability of funds on any documents or vouchers submitted for payment and/or indicates payment is proper. (S)he is responsible for the correctness of the facts and computations, and the legality of payment.

Commercial Voucher

A properly prepared public voucher which a vendor submits for goods or non-personal services. It must be supported by a contract, purchase or delivery order, a receiving and acceptance report or performance certificate and a vendor's invoice.

Commitment Authority

Authorization issued to a stock fund division for incurring commitments up to a specified amount in the current year.

Commitment Ledger

All activity fund managers will maintain informal commitment ledgers as prescribed by local activity Financial Administration guidance.

Constant Dollars

The term "constant dollars" is used when prices do not contain inflationary changes that have occurred or are forecast to occur. Constant dollars are always identified with a specific time period, which is called a base year. Constant prices represent the total cost of an item or service if that item were purchased in the base year and the bill was completely paid in that year.

Constructed Detail Billing Record

A detail billing record prepared to balance an out-of-balance bill.

Constructed Summary Billing Record

A summary billing record prepared by a fiscal station upon receipt of a wholly inapplicable bill pertaining to two or more bill-to offices.

Constructive Delivery

Acceptance by a requiring activity of financial liability or formal accountability for materiel ordered based on a written statement by the supplying activity that delivery of materiel was made to a military or commercial carrier or that transfer of accountability not involving shipment was made to the receiving activity's account. Delivery under this concept takes place when the materiel is accepted by a carrier or when property accountability is transferred.

Consumable Supplies

An element of cost consisting of all expendables and those nonexpendables having a standard unit price of less than \$250 or which lose their identity on issue.

Consumption Data

Repair part usage data combined and maintained by the end item NICP for all parts consumed during scheduled maintenance programs. These data are expressed in quantity-per-100 overhauls.

Continuing Resolution Authority

An interim appropriation until permanent appropriations are enacted. Authorizes continuation of normal operations at a rate not to exceed the latest congressional action or previous year's rate with no new starts or expansions to a program.

Contract Disputes Act

A 1978 law which gives authority to contracting officers to investigate and make findings on contractor complaints that the Federal government did not fulfill their responsibilities under the contract. If the contracting officer finds that the contractor does not have a valid claim, the contractor can appeal his or her decision to the Armed Service Board of Contract Appeals or directly to a Federal Court.

Contracting Officer

A government civilian employee or military officer who has a valid appointment as a contracting officer under the provisions of the FAR. An appointed contracting officer has authority to enter into and administer contracts and make determinations and findings about such contracts. The term includes an authorized contracting officer's representative (CAR) acting within the limits of his or her authority. The term also includes purchasing and contracting officers and ordering officers.

Contract Modification

Any written change in the terms of a contract. Only contracting officers acting within the scope of their authority are empowered to execute contract modifications.

Contractor-Acquired Property

Property procured or otherwise provided by a contractor for the performance of a contract. It does not include government furnished materiel or equipment.

Cost Accounting

Cost accounting involves accounting analysis and reporting on costs of production of goods or services, operation of programs, activities, functions, or organizational units. Cost accounting is required in the accounting system if it is needed for pricing decisions, productivity improvement decisions or measurement of performance, efficiency comparisons of like activities, or in Defense Working Capital Fund activities.

Cost Analysis

The systematic examination of the cost of interrelated activities and equipment to determine the relative costs of alternative courses of action.

Cost Benefits

Refers to measuring the expense of obtaining certain information with the benefits to be derived by having the information. Information should not be provided if the costs of providing it exceed the benefits to be derived, unless it is required to meet legal or other specified purposes.

Cross-disbursement

Disbursements and collections of funds of one agency performed by the OPLOC/FAO of another agency.

Current Fund

An appropriation account which is available for new obligation during the current fiscal year. For example, a FY 97 two-year appropriation is a current fund in both FY 97 and FY 98.

Current Liabilities

Liabilities that will be due within a short time (usually 1 year or less) and will be paid out of current assets. Includes all amounts owed on the basis of invoices or other evidence of receipt of goods and services, other amounts for the purchase of goods and services even if not "due and payable," and deferred income (received and not earned).

Current Year

The fiscal year in progress.

Customer Number

A six-digit number assigned by accounting to identify a reimbursable customer.

Customer Order Record

A cost accounting record established to control costs and serve as a billing record for ordered work.

Debt

An amount of money owed the United States from any person, organization, or entity, except another federal agency. Fines and forfeitures arising under the Uniform Code of Military Justice (UCMJ) are not considered debts.

Decentralized Fund Control

Alignment of fund certification with management responsibilities.

Decrement

A listing prepared to facilitate funding reductions that are received after approval of the initial operating program. Items already included within the funded operating program are listed in inverse (opposite order) priority; that is, lesser priority first. The decrement list reflects the order of those funded requirements that would be deleted first if funds were withdrawn.

Defense Working Capital Fund (DWCF)

A revolving fund that replaced the Defense Business Operating Fund (DBOF) in 1997. DWCF incorporates the stock and industrial funds of the military components and Defense agencies and included several Operation and Maintenance funded activities. The designated business areas of DWCF operate under the financial policies and responsibilities currently in effect for the stock and industrial funds, except as modified by the DoD Comptroller, DFAS-IN policy statements, and this guidance.

Defense Military Pay Office (DMPO)

Small office operating out of Directorate for Military Pay (DMP) and physically located at an activity where the DAO was consolidated to an OPLOC. DMPO provides limited military pay and travel support to military members. Accounting is performed by DMP's Accounting Division.

Delayed Delivery

When a supplying agency cannot make delivery in accordance with the priority delivery date or required delivery date.

Delegation of Authority

Major activity directors may delegate authority for certification of funds availability. This delegation must be in writing.

Deliver Order

A document issued by the contracting officer under a basic agreement or indefinite quantity type contract (open-end or call type contracts).

Department of Defense Activity Address Code

An identifying unit or activity code that appears in the first six positions of the document number to identify the customer.

Depot Level Repairables

Maintenance coded "D" and "L" secondary items (e.g., engines and transmissions) previously referred to as procurement spares. Repairables are categorized as: (1) initial - to support new equipment fielding; (2) War Reserve - to support sustainment; and (3) Replenishment - to support day-to-day training, readiness, and operations.

Depreciation Accounting

Recognizes the cost of depreciable property, plant, or equipment as an operating expense over the period in which the assets are expected to provide benefits. Amortization recognizes the cost of intangible assets as an operating expense over the benefited period.

Designated Billing Office

The office named in a procurement document that is first to receive invoices or bills from vendors. This is usually the vendor pay office, but contracting officers can name other individuals or offices.

Designated Payment Office

The office named in the contract which will pay the vendor. If the contract requires invoice approval before it is sent to the payment office, vendors must send the invoice to the address stated in the contract (the designated billing office).

DFAS-IN Affiliated OPLOC/FAO

Office performing either all or some entitlement, accounting and disbursing functions for specific fiscal stations. The OPLOC, FAO or other activity reports to DFAS-IN.

Direct Cost

Cost (labor, materiel, contracts, travel, and transportation) that can be identified directly with a final cost objective (i.e., customer order or work authorization).

Direct Expense

The cost of resources consumed that may be identified specifically with any one function.

Direct Funds

Funds received from Department of Army (or other appropriate service) for the purpose of financing authorized requirements. The funds will be identified by OMA Budget program on the funding document.

Direct Hire

Civilian employees of the U.S. Army paid directly from appropriated funds who are subject to congressional ceilings.

Direct Job Order

The code assigned to customer orders or work authorizations for compiling direct labor, direct materiel, and applied overhead cost to the job.

Direct Materiel

The costs of all materials, components, and parts (both funded and unfunded), including amounts used in process cost-type operations (cleaning, plating, painting, subshops, and so forth, actually used on work or job orders, or service orders), which can be readily and practically identified with those orders. Direct materiel costs include both "expense" and "investment" type materiel.

Direct Obligation Authority

Funds, received by the activity by means of an allotment, which are immediately available for obligation at the time of receipt.

Disbursement

Payment of a legal liability of the U.S. Government that decreases the accountability of the disbursing office making the disbursement.

Discount

A vendor's offer to accept a reduced payment in exchange for receiving an earlier payment.

Drop From Inventory

A reduction in the inventory balance in a supply source's property records following an edit for availability of a requisitioned item and the generation of a materiel release order for the item.

Equity

Equity of the U.S. Government is the difference between assets and liabilities. This is based on accrual accounting concepts incorporating the expended/unexpended budget authority principle. It is intended to account for unexpended and applicable expended budget authority. All budgetary characteristics of equity, however (including unfinanced budget authority to be specifically reported on the face of the statement of financial position), shall be accounted for within the accounting system.

Expended Allotment

Obligations liquidated by receipt of goods or services and by net cash disbursements pertaining to prior-year activity allotments, suballotments received, and open allotments.

Expenditures

A payment by check or equivalent action that constitutes a charge against the appropriation cited. The term expenditures has the same definition as outlays.

Expense Accounts

Accounts used to classify and accumulate expenses in accordance with the Army Management Structure for the purpose of controlling operations and analyzing operating results.

Expense Credit (for returns)

An amount credited to expenses, which are incurred by an activity. Credit is given when the activity returns materiel and receives turn-in slips or other authorized documents from the accountable supply office to which the return is made.

Federal Grants and Cooperative Agreements

Except as otherwise expressly authorized by law, Federal grants and cooperative agreements are Federal assistance agreement under which payments in cash or in kind are made to provide assistance for specified purposes. Grants and cooperative agreements are accounted for in a similar manner.

Federal Supply Classification

A uniform supply classification system designed to serve the commodity classification needs of supply operations. The Federal supply classification uses a 4-digit coding structure; the first two digits identify the

group, the second two digits identify the classes within the group.

Financed Expenses

Expenses incurred by an activity, financed through the financial resources authorization, that are included in the approved operating program and budget.

Financed Requirement

A requirement included within an operating program that has been recognized and subsequently funded by a higher authority.

Financial Control

The control or management of a unit or function in accordance with an approved operating budget.

Financial Inventory Accounting

The system of accounting in which all fixed property and major items of equipment as well as the bulk inventories of supplies, materiel, and equipment included under financial inventory accounting are maintained on a monetary basis.

Financial Management Plan

A plan for achieving more efficient overall financial management of the service (e.g., U.S. Army). It includes improvement of operational performance through assignment of responsibility for evaluating and controlling costs.

Financial Management Report

A periodic report apprising all command echelons of existing or potential financial problems in the O&M appropriation.

Financial Property Accounting

The establishment and maintenance of property accounts in monetary terms; the rendition of property reports in monetary terms.

Financial Reporting

An area comprising the accurate and timely distribution of all the reports required for programming and budget information, execution, and review within the service (e.g., U.S. Army).

Fiscal code

An alpha/numeric system of rules and guidance for recording accounting data of the U.S. Army.

Fiscal Guidance

Annual guidance issued by the Secretary of Defense, which provides the fiscal constraints that must be observed by the JCS, the Military Departments, and Defense Agencies, in the formulation of force structures and Future Years Defense Programs, and by the Secretary of Defense staff in reviewing proposed programs.

Fiscal Station

Any activity to which a station number is assigned for use in connection with administrative functions relative to appropriation and fund accounting and the furnishing of supplies or services to Department of the Army components.

Fiscal year

Any yearly accounting period without regard to its relationship to a calendar year. The fiscal year for the Federal Government begins on 1 October and ends on September 30. The fiscal year is designated by the calendar year in which it ends; for example, fiscal year 1999 is the year beginning October 1, 1998 and ending September 30, 1999.

Fiscal Year Designation

A digit indicating the fiscal year in which the appropriation is available for obligation.

Fixed Accounts

Accounts available for obligation for a definite period. Such accounts close on September 30th of the 5th fiscal year after expiring unless an appropriation law fixes the period an account can remain available for expenditure pursuant to 31 U.S.C. Sections 1551 and 1557.

Fixed Assets

Assets of a permanent or fixed nature; (e.g., buildings, equipment, and so forth).

Fixed Cost

A cost that remains the same at all levels of production (e.g., rent, expense).

F.O.B Destination

This term means free of expense to the U.S. Army if: (1) Delivered to a specified delivery point where the consigned Army facility is located or (2) Delivered to the destination Army consignee's wharf, warehouse unloading platform, or receiving dock. Commercial accounts payable personnel do not reimburse contractors for shipping expenses if the contract indicates f.o.b. destination.

F.O.B. Origin

Free of expense to the Army delivered under one of the following conditions: (1) on board the indicated type of carrier conveyance at a designated point in the city, county, and State from which the shipment will be made and from which line-haul transportation (as distinguished from switching, local drayage, or other terminal service) will begin; (2) to, and placed on the carrier's wharf or freight station; (3) to a U.S. Postal Service facility; (4) to any U.S. Army-designated point within the same commercial zone as the f.o.b. origin point specified in the contract.

However, the U.S. Army pays freight charges from the above location to the consignee Army destination. Commercial accounts payable personnel can pay up to the total amount of an estimated cost of shipment shown in a contract. If there is no estimated cost in the contract, commercial accounts payable personnel can pay up to 10% of the total contract value or \$100, whichever is less, for shipment costs.

Fund Allowances

Allowances issued to activities for execution by special and general operating agencies.

Fund Control

Control over use and management of fund appropriations to ensure that: (1) funds are used only for authorized purposes, (2) they are economically and efficiently used, (3) obligations and expenditures do not exceed the amounts authorized and available, and (4) the obligation or disbursement of funds is not reserved or otherwise withheld without congressional knowledge and approval. Each accounting system shall incorporate appropriate techniques to assist in achieving fund control objectives.

Fund Managers

Individuals throughout the command who manage financial resources to include major activity, sub-activity directors, and their representatives who are delegated fund certification responsibility.

Fund Reservation

The withholding through informal administrative action of a certain amount of obligation authority or other fund authorization based on the contemplated issuance of orders, requisitions, requests, or other planned incurring of obligations. Such action earmarks available funds for future obligation without the imposition of formal accounting control.

Funded Carryover

The incomplete portion of a job order for goods or services to be provided by an industrial fund activity. Usually, funded carryover is measured at the end of a fiscal period, (i.e., a fiscal year).

Funded Costs

The value of goods or services received because of an obligation of funds (obligation authority), identified

with the group of accounts to which resources were applied as costs.

Funded Reimbursement Authority

Authority received for specified non-mission activities.

Dollar amounts are received quarterly, but not available for obligation until a specific order is received.

Funded Reimbursements

Fund authority received, within the approved operating budget, that is not immediately available for obligation. The funds are held in reserve until an order is received. Funds are earned through the operation of certain specified revenue producing activities at the activity. The amount authorized on the funding document cannot be exceeded.

Funding Authorization Document

The funding authorization document received from the Department of Army represents an approved financial plan. Section A establishes total funding programs for the fiscal year, and quarterly obligation ceilings. Section B serves as a limitation or restriction, by specific OMA program of the amount of direct obligations and funded reimbursements to be incurred.

Funding Ceiling

Administrative limit imposed on funding, specifying a dollar amount that may not be exceeded in meeting a particular requirement/mission without approval from the next higher funding authority.

Funding Floor

Administrative limit imposed on funding, specifying a dollar amount that must be expended in meeting a particular requirement/mission. Amounts specified as floors may not be used for any other purpose without approval of the next higher funding authority.

Funding Guidance

Guidance disseminating a dollar limitation specifically identified and required by statute.

General Ledger

A record containing the accounts necessary to reflect, in summary or in detail, the financial operation and condition of an entity.

General Ledger Control and Financial Reporting

The system maintains double-entry general ledger accounts. The general ledger account structure and related subsidiary accounts follow the U.S. Government Standard General Ledger (USGSL) account structure. Accounting reports are fully based on general ledger accounts. The system provides for full financial disclosure, accountability, adequate financial information, and reports to meet management needs, and for necessary external reporting to DoD, OMB and Treasury.

General Operating Agency

An organizational unit consisting of major commands, headquarters, or agencies funded by allocation from the U.S. Army Budget Office, or by suballocation from a special operating agency with authority to further distribute funds by means of allotment.

Indirect Cost

Cost (labor, materiel, contracts, travel, and transportation) that cannot be identified directly with the final cost objective (that is, customer orders or work authorization).

Indirect Hire

Foreign national personnel not hired or administered directly by the U.S. Government who furnish support to the U.S. Government, pursuant to contracts, agreements, or other arrangements with foreign governments.

Indirect Job Order

The code assigned for compiling indirect cost (e.g., supervisory labor, indirect materials, and utilities), or the cost of service organization, such as accounting, personnel, and motor pool operations.

Indirect Materiel

Low cost items of materiel that cannot be economically identified with the final cost objective. They are normally called shop supply (e.g., sandpaper, screws, and rivets).

Integrated Accounting

Financial accounting for supplies outside of stock and industrial funds; accounting for expense of operations; appropriation accounting; and including a basic classification structure. This is used to identify all operations for management and budgeting purposes.

Interest

A service charge for the use of money, commonly computed as an annual percentage of outstanding principal.

Internal Control

A plan or organization intended to coordinate methods and measures within an organization to safeguard assets, check the accuracy and reliability of accounting and related data, promote operating efficiency, and encourage adherence to managerial policies.

Internal Control Documentation

Written policies, organization charts, procedural write-ups, manuals, memoranda, flow charts, decision tables, completed questionnaires, software, and related written materials used to describe the internal control methods and measures to communicate responsibilities and authorities for operating such

methods and measures, and to serve as a reference for persons reviewing the internal controls.

Intra-government Agreements

A project order under 41 U.S.C. 23, Economy Act (31 U.S.C. 1535), or a procurement order to another military department for reimbursable procurement or direct citation.

Invalid Withdrawal

A withdrawal of funds in excess of the unallotted or unobligated balance, less amounts for outstanding liabilities (e.g., price re-determination and quality variances).

Inventory of Federal Government

Consists of tangible personal property (goods) to be: (1) consumed in normal operations, (2) incorporated in production of goods for later consumption in normal operations, or (3) part of in process or finished goods that will ultimately be sold. Included are goods in the hands of others, yet owned by the government.

Excluded are: goods (raw materials, in-process, or completed) issued for use in the construction of equipment or real property, and assets, such as equipment, that are to be accounted for as property, plant, and equipment. Goods to be incorporated in equipment for use in operations or in real property will be accounted for and controlled as construction in process.

Investment Costs

The costs of real property and equipment acquired, and financed by, or chargeable to, the Procurement and Military Construction appropriations.

Invoice

A bill or written request for payment from a business concern for goods or services provided to the U.S. Army. A proper invoice must have the: name of the business concern; invoice date; contract number; description, price, and quantity of the goods or services actually delivered or rendered; shipping and payment terms; and complete mailing address of the firm to whom payment is to be sent. Written notice of an invoice error, defect, or impropriety must be provided to a vendor within 7 days (3 days for meat and meat food products and 5 days for perishable agriculture products).

Job Order

A control number under which elements of cost (labor, materiel, contract services) are compiled for a specific purpose. The primary code used in a job order cost accounting system.

Job Order Cost System

An accounting system in which costs are assembled in terms of jobs or job lots of production (e.g., tanks, helicopters, or weapons).

Joint Reviews

A review of unliquidated obligations conducted by the OPLOC/FAO and the applicable program or activity director's representative.

Labor

An element of cost, consisting of civilian and military pay.

Late payment interest

The charge assessed on delinquent debts based on the time value of money owed and not paid when due.

Lease Agreement

An agreement to convey the use of an asset or part of an asset (such as part of a building) from one entity, the lessor, to another, the lessee, for a specified period of time in return for rent or other compensation. Lessees have either capital or operating leases while lessors have either sales-type, direct financing, or operating leases. Capital, sales-type, and direct financing leases transfer substantially all the benefits and risks of ownership from the lessor to the lessee. All other leases should be accounted for as operating leases, i.e., rental of property.

Lease, Bargain Purchase Option

A lessee's option to purchase the leased property at a bargain price that makes the exercise of the option almost certain.

Lease, Estimated Economic Life

The estimated remaining useful life of property for the purpose for which it was intended, regardless of the term of the lease.

Lease, Fair Value of the Lease Property

The price for which the property could be sold in an arms-length transaction between unrelated parties.

Lease, Interest Rate Implicit

The discount rate that, when applied to the minimum lease payments (less executory costs and the unguaranteed residual value), caused the aggregate present value at the beginning of the lease term to be equal to the fair value of the leased property at the inception of the lease.

Lease, Minimum Lease Payments

The payments that the lessee is obligated to make or can be required to make in connection with the leased property. (Contingent rentals are excluded from minimum lease payments).

Lease, Non-Cancelable

The lease is cancelable only on the occurrence of a remote contingency. Funds not being appropriated by Congress in future years to cover the lease is considered a remote contingency.

Lease, Non-Operating

The lease term is the fixed non-cancelable term of the lease plus all periods, if any, representing renewals or extensions of the lease which can reasonably be expected to be taken.

Lease, Renewal or Extension

The continuation of a lease agreement beyond the original lease term, including a new lease under which a lessee continues to use the same property.

Liabilities

Amounts owed for items received, services rendered, expenses incurred, assets acquired, construction performed (regardless of whether invoices have been received), and amounts received, but as yet unearned. Includes amounts owed for goods in the hands of contractors under the constructive delivery concept and amounts owed under grants, pensions, awards, and other indebtedness not involving the furnishing of goods and services.

Liability

A debt or other legal obligation that must be liquidated by payment, renewed, or refunded at some future date.

Limit

The limitation is a four digit suffix to the basic symbol. The limit is used to identify a subdivision of funds that restricts the amount or use of funds for a certain purpose or identifies sub-elements within the account for management purposes. On accounting documents, the limit is preceded by a decimal point.

Limitations

Usually, amounts specified in law which earmark an amount that may be obligated and expended for a specific purpose or project. Such amounts are legal limitations which must be observed throughout the budget execution process. Limitations may also be established by administrative action in which case similar steps must be taken to control the use of funds in accordance with the terms and amounts specified.

Local Procurement

Purchase of materiel from commercial vendors and suppliers (including fabrication by maintenance shops) under formal procurement actions that are authorized to be financed with DWCF obligational authority, and initiated and administered at activity to which operations of the DWCF are extended.

Long-Term and Unfunded Liabilities

Liabilities that are not due for a comparatively long time (usually more than 1 year). However, as they come within the 1-year range and will be paid, it includes such liabilities that are not obligations until a later time, e.g., accrued annual leave in the case of appropriation accounts.

Management Decision Package (MDEP)

The MDEP code is a four digit code which is the controlling link between future year programs and the appropriation enacted by the U.S. Congress. It provides feedback on the consequences of decisions and effectiveness of field personnel to administer specific programs. The MDEP is a common language that provides the U.S. Army the capability to evaluate the execution of materiel, manpower and dollars tied to wartime missions and peacetime management across appropriation lines.

Military Standard Requisitioning and Issue Procedures

A standard system used by prescribed DoD elements in requisitioning materiel from military suppliers (including GSA). MILSTRIP prescribes the use of uniform codes and data entries in standard single line format (AR 725-5). Also, a system designed to provide uniform procedures for all requisitioners and all suppliers.

Minimum Lease Payments

The payments that the lessee is obligated to make or may be required to make in connection with leased property. (Contingent rentals are excluded from the minimum lease payments.)

Mission Operations

Includes expenses incurred for the direct accomplishment of Approve Operating Program of an activity for other than base operations expenses.

Mixed Order

An order that contains products with different payment due dates under the PPA (e.g., meat and canned goods or dairy products and meat). Mixed orders will be paid on the due date of each type of item. If it is paid late, interest will be paid. If an item is paid early, it will be identified on the Prompt Payment Act report as an early payment. For example, an order for meat or fish (a 7-day payment) and agricultural products (10-day payment), the meat and fish would be paid on the seventh (7th) day and the agriculture products would be paid on the 10th day. Vendors can invoice separately for products on mixed orders; if not, the paying office may duplicate the invoice to make payment on the correct due date.

Negative Unliquidated Obligations (NULOs)

Transactions posted to the accounting database which create the following conditions: disbursements greater than obligations; stand-alone disbursements or credit obligations.

Negotiated Contract

A purchase or sales agreement made by a government agency, normally without employing formal advertising.

Nonappropriated Funds

These are cash and other assets received by nonappropriated fund instrumentalities from sources other than Congressional appropriation; primarily from the sale of goods and services to DoD military, their dependents and authorized civilians. These funds are used to support or provide essential morale, recreational, and certain religious and educational programs.

Non-Personal Services Contract

A contract under which the personnel rendering the services are not subject, either by the contract's terms or by the manner of its administration, to the supervision and control usually prevailing in a relationship between the U.S. Government and its employees.

Non-Consumable Supplies

A program expense classified as a capital expenditure consisting of net issues of non-expendable supplies valued at \$250 or more per item, which do not lose their identity upon issue.

Non-Financed

Those items of supply and equipment that are obtained and delivered to an activity without charge to local resources (free issue).

Non-Expendable

Property which maintains its identity throughout its entire period of usefulness and must be accounted for until properly disposed of by authorized procedures.

Obligated Balances

Represents obligations incurred for which disbursements have not been made. This balance can be carried forward indefinitely until the obligations are liquidated. Obligated amounts of orders placed, contracts awarded, services rendered, or other commitments made by Federal agencies during a given period that will require outlay during the same or some future period.

Obligation Authority

Authorization to a division of the stock fund to obligate for procurement of materiel and services. Stock fund obligation (acquisition) authority will finance all items of consumable-type materiel on hand, on order, and in transit for storage and issue purpose at depots, major supply points, and activities where stock fund operations are established. The amount issued is based upon the approved current annual budget and subject to apportionment by OMB.

Obligation Ceiling

Each activity will receive an activity detail funding authorization document which will indicate the amount of funds available to it. Total obligations, as established, cannot be exceeded without prior

approval, except for automatic reimbursement where amounts can be exceeded if earned. Obligations cannot be made against either the funded or automatic reimbursement authority until the order is received.

Open Allotment

An allotment made by an operating agency at DA level, approved by the ASA(FM), when it has been specifically determined that specific allotments of funds would be impractical to administer.

Operating Budget

The component of the operating program that details the financial plans in terms of costs (funded and unfunded) and obligations in support of the operating program for the budget year. At each level, the operating budget provides a financial plan to support the activities and functions for which the commander is responsible.

Operating Program

This program is prepared by each Army command agency and activity, lists the annual objectives to be obtained, and relates the objectives to available resources (manpower, materiel, and money).

OPTEMPO

Used as a performance measure to gauge the status of equipment, level of training, overall combat readiness, and (by DCSLOG) for allocating resources.

Order Received

Any firm authorized agreement or accepted order to furnish equipment and supplies to others, or to perform work or services financed on a reimbursable basis.

Out-of-Service Debtor

A former civilian employee or member of the Armed Forces who no longer receives any compensation from the U.S. Government and owes an outstanding debt to the U.S. Government.

Outstanding Commitment

Administrative reservations of funds (commitments) that have been posted to an activity commitment ledger and not reconciled with the Activity Detail Cost Report (ADCR) that the activity receives from the OPLOC/FAO (e.g., actual expenses or obligations that have not appeared on the ADCR).

Overhead

Expenses incurred in support of the overall mission that are not identifiable to a customer order, and are equitably shared by all customers of the activity (e.g., supervisory and administrative salaries, equipment rental costs, road repair, lawn care and janitorial services).

Overhead Cost

An item of cost, such as general and administrative expenses, that supports the total operation of an activity, and not just selected cost centers. (See overhead.) Different allocation methods can be used.

Overobligation

A condition existing when total obligations incurred exceed total available obligational authority.

Payables

Payables are liabilities, amounts owed for goods and services received, and amounts received but not yet earned. Payables include amounts for the following: goods and other property purchased and received; services performed by employees, contractors, grantees, and lessors; amounts received in advance (received but as yet unearned); or, amounts owed at the end of the accounting period under programs for which no further performance of services by payees is required (such as annuities, insurance premiums, and some cash grants).

Payment Date

The date on the check. Checks should be delivered to the vendor or placed in the mail on the same day as they are dated.

Penalty

A punitive charge assessed for delinquent debts. The rate to be assessed is set by law at no more than 6% per year and is assessed on the portion of a debt remaining delinquent more than 90 days, although the charge will accrue and be assessed from the date of delinquency. Penalties should be assessed unless otherwise provided in legislation or a contractual agreement.

Performance Certificate

A written statement prepared by an authorizing official that the goods or services called for in a contract have been delivered or performed satisfactorily.

Period of Availability

The period of time in which budget authority is available for original obligation.

Personal Services Contract

A contract that, by its express terms or as administered, makes the contractor personnel appear to be, in effect, U.S. Government employees.

Principal

The amount owed by the debtor to the U.S. Government, excluding interest, penalties, administrative costs, fees and prepaid charges.

Posting

Transcribing information from a voucher or other document to the appropriate ledger account.

Pre-positioning Costs

The accessorial costs incurred to store items at locations outside the United States in anticipation of support to other authorized customers.

President's Budget

The documentation sent to U.S. Congress by the President in January/February of each year in accordance with the Budget and Accounting Act of 1921, as amended, estimating U.S. Government receipts and outlays for the ensuing fiscal year and recommending appropriations in detail.

Pricing

DoD requires that all stock fund issues be billed to requesting activities at standard price, except for combat serviceable materiel which is issued at less than standard. The stock fund may obtain some materiel on a free basis, but does not dispense it as free issue. A predetermined value is established for each item of stock fund financed inventory and used for all financial inventory accounting purposes. Transactions for billing and collection of sales, as well as for determining the amount of credit to be allowed customers for materiel return, will use the standard price. If no future procurement is planned, this standard price will not change. Items with a national stock number (NSN) are centrally managed and the standard price is published in the AMDF. Non-NSN prices will be established by the local manager. Items, whether excess or non-excess, may be subject to a reduction in standard price at the time of sale or issue. The standard price of each stock fund item is updated annually, and provides the latest known procurement cost plus authorized surcharge.

Process Cost System

An accounting system whereby costs are assembled in terms of processes or manufacturing steps, and used for operations which produce large volumes of standardized units on a continuous basis (e.g., cement or gunpowder).

Program

An organized set of activities directed toward a common purpose, objective, or goal undertaken or proposed by an agency to carry out responsibilities assigned to it.

Program Development Increment Package (PDIP)

PDIPs evolve during Planning/Programming/Budgeting System (PPBS) cycle and are the building blocks for the POM. In the budgeting phase, PDIPs represent the program content of the U.S. Army budget submission.

Program Objective Memorandum

A memorandum in prescribed format submitted to the Secretary of Defense by the Secretary of Military Department or the Director of a Defense Agency, which recommends the total resource requirements

within the parameters of the published Secretary of Defense Fiscal Guidance.

Program Year

The first fiscal year after the budget year, or the second fiscal year after the current fiscal year. During fiscal year 1999, the budget year would be fiscal year 2000 and the program year would be fiscal year 2001.

Programmed Funds

Activity (specific) allotments received by the activity, regardless of fiscal year, to finance operating programs or procurement. (Programmed funds are allotted on the basis of the activity budget).

Progress Payments

These are payments to a contractor, under a fixed price contract, for a specific percentage of his actual costs for work in progress.

Property Accounting

The establishment and maintenance of property accounts, in terms of monetary value and/or quantity, including rendition of property reports.

Property and Inventory Accounting

The value of property, plant, equipment and materiel, including government-furnished materiel and property used by contractors, recorded in the accounting system. The system maintains financial control over the acquisition, use and disposition of all assets--procurement, receipt, issue, depreciation, amortization, depletion, in-transit, and any other status. Subsidiary records reconcile to control accounts. There is a direct audit trail from the acquisition of property through general ledger accounts to the official responsible for the property and the property itself.

Proprietary Accounting

The accounting functions and operations necessary to report on financial conditions and financial results of operations as distinguished from budgetary accounting. This includes accounting for inventory, accounts receivable, accounts payable, accrued expenditures, etc.

Purchase Order

A document that the contracting officer issues to a vendor for supplies, equipment, or services which total \$25,000 or less. It becomes a contract upon acceptance by the vendor.

Purchase Request

A document which is the first step in the procurement process. It can be reviewed by all interested activity officials before a purchase is made. The accounting activity can show approval, appropriation correctness,

and fund availability by certifying the purchase request.

Ratification

The act of approving an unauthorized purchase made by an individual who did not have the authority to make the commitment. The contracting officer may ratify an unauthorized commitment provided: the U.S. Army has benefited from it; the contracting officer could have entered into the commitment at the time it was made, and the resulting contract would have been proper if it had been made by an authorized contracting officer.

Reapportionment

A revision of a previous apportionment of budgetary resources for an appropriation or fund account. A revision ordinarily covers the same period, project, or activity covered in the original apportionment.

Receivable

An amount owed the U.S. Government by an individual, organization, public entity (e.g., state and local governments) or other entity to satisfy a debt or claim. Examples of receivables generated by U.S. Government activities include, but are not limited to: amounts due for taxes, loans, sales of goods and services, fees, fines, penalties, forfeitures, interest, overpayments of salaries and benefits. If an individual/entity has been billed, and the debt is under appeal, the debt is considered a receivable.

Receiving and Acceptance Report

A document or systems transmission which lists the goods and quantities a vendor has provided. A receiving and acceptance report is to reach the vendor pay office by COB on the day that is one-half the payment period. Most logistical guidance direct supply personnel to complete and deliver receiving and acceptance information to the servicing accounting activity by the 5th workday after delivery of goods or completion of services.

Reconciliation

The practice of bringing two or more separate and independent sets of related figures, amounts, or statements into agreement. The term may also be used to refer to a statement of the details of the difference between any two or more accounts.

Record Retention Period

The period during which billing offices must retain billing records and respond to requests for billing adjustment or (for bills not sent through the OMA) duplicate billing.

Recoveries

A downward obligation transaction in a prior year. Downward obligation transactions include, but are not limited to, adjustments, corrections, reductions and cancellations.

Refunds Receivable

An overpayment, such as contract overpayments, delinquent travel advances, advances to defaulted contractors, advances that were not earned by the contractor, or overpayments to other U.S. Government agencies.

Reimbursable Issue

All issues and transfers of materiel made and accounted for as a reimbursable issue - sale. Capitalization, consignment and other such transfers of logistic responsibility are not accounted for or reported as a sale. Sales are at standard price, prices reduced from standard, or replacement price based on various conditions. Commanders are responsible for ensuring adequate funds are obligated or reserved to reimburse stock fund for all items procured for a final user, which is not needed for stocking purposes by the stock fund. When such items become available for issue, but the user no longer wants the item, the user ordering activity must reimburse the stock fund for all items not resold to another customer.

Reimbursable Orders versus Direct Cite Funds

With reimbursable orders, the seller uses its funds to pay for the ordered goods or services, then self reimburses or sends the buyer a bill. With a direct fund citation, the organization acquiring the goods or services cites the buying organization's funds on the obligation document; then sends the bill directly to the buyer for payment.

Reimbursement Source Code

A three-digit number that identifies the customer, whether an appropriation or organization, from whom the reimbursement to the appropriation will be received.

Revenues

Represent the increase in assets (or decrease in liabilities) that result from operations. Revenues result from: (1) services performed by the U.S. Government, (2) goods and other tangible property delivered to purchases, and (3) amounts becoming owed to the federal government for which no current performance by the U.S. Government is required.

Salary offset

The collection of a debt due the U.S. Government by lump sum or periodic deductions from the pay account of an employee.

Service Contract

A contract that directly engages the time and effort of a contractor whose primary purpose is to perform an identifiable task rather than to furnish an end item of supply. A service contract may be either a non-

personal or personal contract. Some types of service contracts are--

- a. Maintenance, repair, servicing, etc. of supplies, systems, or equipment.
- b. Routine recurring maintenance of real property.
- c. Housekeeping services.
- d. Consulting services.
- e. Engineering and technical services.

Service Order

A customer order issued for work that does not specify quantities and scheduled completion date. Also called Economy Act orders. It automatically expires with the cited appropriation.

Source Document

Includes all contracts, vouchers, forms, and records of a documentary nature that are necessary to provide evidence for the original transactions of receipt, issue, adjustment, transfer, and other similar transactions.

Specific Allowance

An allowance issued to a specified activity or major activity that designates a specific fund or other accounting classification and limits the amount that may be obligated. Operating agencies use this allowance to fund activities.

Standard Cost

The costs incurred under normal conditions in producing a given product or part, or in performing a service. Standard cost is established through previous engineering and accounting studies. Once established, they are periodically adjusted based on actual costs incurred.

Standard Price

A predetermined dollar figure, on a unit basis, that reflects all acquisition costs other than those financed by the research, development, test and evaluation appropriations to include first destination transportation. The standard price is reviewed and adjusted to reflect changes in programmed acquisition.

Subsidiary ledger

Supporting details of related accounts that are equal or reconcilable to the control account appearing in the general ledger.

Supporting documents

The documents which authorize commercial accounts payable personnel to legally disburse funds. The minimum documentation necessary is procurement or other authorizing document, receiving and acceptance report, and an invoice.

Surcharge

A percentage included in the formula prescribed for computing the standard price for an item of material

that is intended to cover foreseeable net losses, and other authorized expenses relating to such items.

Suspended Bill

An erroneous or inapplicable DBR temporarily recorded by the recipient fiscal station, DFAS-IN, and the U.S. Treasury Department as a charge or credit to the interfund suspense account.

Temporary duty (TDY)

Duty at one or more locations, other than the permanent duty station (PDS), at which a member performs TDY under orders which provide for further assignment, or pending further assignment, to a new PDS or for return to the old PDS upon completion of the TDY. Also includes that period spent at a location while processing for separation from applicable service, release from active duty, placement on the temporary disability retired list, or retirement, when the last PDS is different from the location where processing is accomplished.

Timeliness

Refers to the prompt reporting of financial information to its users when it will be of maximum benefit. Financial data should be recorded as soon as practicable after the occurrence of a transaction.

Transactions by Others

Term used by an activity describing disbursements or collections processed by another activity. The fiscal station number of the funded activity is cited.

Transactions for Others

Term used by an activity indicating collections or disbursements of funds processed for another activity. The specific allotment accounting classification of the funded activity is cited.

Transfer Between Appropriation Accounts

A transaction which, pursuant to law, withdraws budget authority or balances from one appropriation account for credit to another appropriation account. The use of such transferred authority is charged to the appropriation credited with the transfer.

Transit Routing Number

A nine-digit number (with digits and a check number) that identifies a specific financial institution. Also referred to as the ABA transit/routing number or the ABA number.

Transmittal Letter

A form that accompanies all controlled source documents sent to another activity or office. An original and one copy of the form is sent with the obligation document to the receiving activity/office, which will sign for receipt of the document and return a copy of the transmittal letter to the sending activity. This procedure provides proof that the receiving

office has received the source document on a certain date.

Type Address Code

Code used by logistics to identify (1) the address for mail, parcel post, and small package shipments; (2) the address to receive freight shipments if different from address (1); and (3) the address for billing purposes.

Unfinanced Expenses

Expenses incurred by an activity for materiel items used in performing a given function, financed with resources other than those provided by the Annual Operating Budget. Unfinanced expenses are not included in the activity's approved program. For purposes of measuring performance, such expenses are normally considered in the consumption of work or services performed, but are not reflected or applied against the available finance expenses authorization.

Unfinanced Requirement

Items or activities (requirements) considered necessary by the activity, but which were not funded.

Unliquidated Obligations

Unpaid bills for which the U.S. Government has recognized and recorded an eventual liability.

Unmatched Disbursements

Disbursements charged to an activity, which have not been posted to the accounting database. These transactions include TFO rejects, interfund suspense, interfund uncleared and TBO uncleared transactions.

Unobligated Allotments

Unobligated balance of an activity's allotments.

Unobligated Balance

That portion of available funds which has not been obligated.

Unrecorded Obligation

Obligations incurred during period of fund availability, but not posted to the accounting records prior to the account expiring. For purposes of closed accounts, unrecorded obligations are included in obligation adjustments.

Variable costs

A cost that varies with production volume (e.g., cost of materiel).

Variance

Any difference between actual costs and standard costs - either a favorable variance (actual cost is above standard) or an unfavorable variance (actual cost is below standard). The term "variance" is also used to identify the difference between estimated and actual costs.

Warrants

Official documents which are issued to agencies pursuant to law to authorize monies to be withdrawn from the Treasury. Warrants are issued by the Secretary of the Treasury, and countersigned by the Comptroller General, pursuant to Congressional enactment of legislation (usually appropriation acts) providing budget authority for authorized programs or purposes.

Working capital fund

A fund established to finance and hold inventory or operate industrial type facilities. Inventory or services are sold to customers, and the resulting proceeds are deposited into the fund to finance more inventory or services.